



DEPARTMENT OF AGRICULTURE

Rural Utilities Service

7 CFR Part 1783

[Docket No. RUS-20-WATER-0033]

RIN 0572-AC52

Revolving Fund Program - Water and Environmental Provisions of the Agricultural Improvement Act of 2018

AGENCY: Rural Utilities Service, Department of Agriculture (USDA).

ACTION: Final rule.

SUMMARY: The Rural Utilities Service (RUS) is issuing a final rule to implement statutory provisions of the Agriculture Improvement Act of 2018 (2018 Farm Bill). The intent of this rule is to modify an existing regulation to include the statutory revision authorized by the 2018 Farm Bill.

DATES: This final rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: James Fritz Wehrer, Rural Development, U.S. Department of Agriculture, STOP, 1400 Independence Ave., SW, Washington, DC 20250-1550, Telephone number: 413-253-4303.

SUPPLEMENTARY INFORMATION:

Executive Order 12866 - Classification

This final rule has been determined to be not significant for the purposes of Executive Order 12866, Regulatory Planning and Review, and therefore has not been reviewed by the Office of Management and Budget (OMB).

Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 et seq.), the Office of Information and Regulatory Affairs designated this rule as not a major rule, as defined by 5 U.S.C. 804(2).

Executive Order 12988 - Civil Justice Reform

This final rule has been reviewed under Executive Order 12988, Civil Justice Reform. The Agency has determined that this rule meets the applicable standards provided in section 3 of the Executive order. In addition, all state and local laws and regulations that are in conflict with this rule will be preempted. No retroactive effect will be given to this rule and, in accordance with section 212(e) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6912(e)), administrative appeal procedures must be exhausted before an action against the Department or its agencies may be initiated.

Catalog of Federal Domestic Assistance and Executive Order 12372 - Intergovernmental Consultation

The program affected by this rule is listed in the Catalog of Federal Domestic Assistance (CFDA) under number 10.864, Grant Program to Establish a Fund for Financing Water and Wastewater Projects, and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with state and local officials.

The Catalog is available on the Internet at <https://beta.sam.gov/>. The SAM.gov website also contains a PDF file version of the Catalog that, when printed, has the same layout as the printed document that the Government Printing Office (GPO) provides. GPO prints and sells the CFDA to interested buyers. For information about purchasing the Catalog of Federal Domestic Assistance from GPO, call the Superintendent of Documents at (202) 512-1800 or toll free at (866) 512-1800, or access GPO's online bookstore at <https://bookstore.gpo.gov/>.

Executive Order 13771

The program affected by this rulemaking is not subject to Executive Order 13771 as it is considered a transfer program and is exempt from the Executive Order.

Regulatory Flexibility Act Certification

RUS has determined that this final rule will not have a significant economic impact on a substantial number of small entities, as defined in the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*).

Environmental Impact Statement

This final rule has been examined under Agency environmental regulations at 7 CFR part 1970. The Administrator has determined that this is not a major Federal action significantly affecting the environment. Therefore, in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), an Environmental Impact Statement is not required.

Unfunded Mandates

This final rule contains no Federal mandates (under the regulatory provisions of Title II of the Unfunded Mandates Reform Act of 1995) for state, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the Unfunded Mandates Reform Act of 1995.

E-Government Act Compliance

RUS is committed to the E-Government Act, which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible.

Executive Order 13132, Federalism

The policies contained in this final rule do not have any substantial direct effect on states, on the relationship between the National Government and the states, or on the distribution of power and responsibilities among the various levels of government. Nor does this final rule impose substantial direct compliance costs on state and local governments. Therefore, consultation with the states is not required.

Executive Order 13175, Consultation and Coordination with Indian Tribal Governments

This final rule has been reviewed in accordance with the requirements of Executive Order 13175, “Consultation and Coordination with Indian Tribal Governments.” Executive Order 13175 requires federal agencies to consult and coordinate with tribes on a government-to-government basis on policies that have tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes or on the distribution of power and responsibilities between the Federal Government and Indian tribes. Rural Development has assessed the impact of this rule on Indian tribes and determined that this rule does not, to our knowledge, have tribal implications that require tribal consultation under E.O. 13175. If a tribe would like to engage in consultation with Rural Development on this rule, please contact Rural Development’s Native American Coordinator at (720) 544–2911 or AIAN@usda.gov.

Civil Rights Impact Analysis

Rural Development has reviewed this rule in accordance with USDA Regulation 4300-4, Civil Rights Impact Analysis, “to identify any major civil rights impacts the rule might have on program participants on the basis of age, race, color, national origin, sex or disability.” After review and analysis of the rule and available data, it has been determined that implementation of

the rule is not likely to adversely or disproportionately impact very low, low and moderate income populations, minority populations, women, Indian tribes or persons with disability by virtue of their race, color, national origin, sex, age, disability, or marital or familial status. No major civil rights impact is likely to result from this rule.

Information Collection and Recordkeeping Requirements

This final rule contains no new reporting or recordkeeping burdens under OMB control number 0572-0138 that would require approval under the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, familial/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <https://www.usda.gov/oascr/how-to-file-a-program->

discrimination-complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992, submit your completed form or letter to USDA by:

(1) Mail: U.S. Department of Agriculture

Director, Office of Adjudication

1400 Independence Avenue, SW

Washington, D.C. 20250-9410;

(2) Fax: (202) 690-7442; or

(3) E-Mail: OAC@usda.gov

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Background

Rural Development is a mission area within the USDA comprising the Rural Utilities Service, Rural Housing Service, and Rural Business/Cooperative Service. Rural Development's mission is to increase economic opportunity and improve the quality of life for all rural Americans. Rural Development meets its mission by providing loans, loan guarantees, grants, and technical assistance through more than 40 programs aimed at creating and improving housing, businesses, and infrastructure throughout rural America.

The Agriculture Improvement Act of 2018 (2018 Farm Bill) made mandatory changes to several programs administered by the Water and Environmental Programs of the Rural Utilities Service, including the Revolving Funds for Financing Water and Wastewater Projects (Revolving Fund Program).

The modification to this regulation will allow RUS to fully implement the change to the program required by the 2018 Farm Bill. This change will also allow for expanded assistance to rural communities to improve safe, reliable drinking water, and sanitary sewage treatment for households in rural areas.

The Revolving Fund Program (7 CFR part 1783) provides grants to enable qualified private, non-profit entities to capitalize revolving funds for the purpose of providing financing to eligible entities for pre-development costs associated with proposed water and wastewater projects or with existing water and wastewater systems, and short-term costs incurred for replacement equipment, small-scale extension of services, or other small capital projects that are not part of the regular operations and maintenance activities of existing water and wastewater systems. The modification increases the amount allowed for total project costs from \$100,000 to \$200,000.

List of Subjects in 7 CFR Part 1783

Business and industry, Community development, Community facilities, Grant programs-housing and community development, Reporting and recordkeeping requirements, Rural areas, Waste treatment and disposal, Water supply, Watersheds.

Accordingly, for reasons set forth in the preamble, 7 CFR part 1783 is amended as follows:

PART 1783 – REVOLVING FUNDS FOR FINANCING WATER AND WASTEWATER PROJECTS (REVOLVING FUND PROGRAM)

1. The authority citation for part 1783 continues to read as follows:

Authority: 7 U.S.C. 1926 (a)(2)(B).

Subpart C – Revolving Fund Program Loans

2. Amend §1783.15 by revising paragraph (a)(3) to read as follows:

§ 1783.15 What are the terms of RFP loans?

(a) * * *

(3) Shall not exceed the lesser of \$200,000 or 75 percent of the total cost of a project.

The total outstanding balance for all loans under this program to any one entity shall not exceed \$200,000.

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Christopher A. McLean,
Acting Administrator,
Rural Utilities Service.

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